GOVERNMENT OF INDIA
HOME AFFAIRS
LOK SABHA

STARRED QUESTION NO:610
ANSWERED ON:09.05.2000
REPRESENTATION TO NRI
DHANI RAM SHANDIL;SURESH RAMRAO JADHAV (PATIL)

Will the Minister of HOME AFFAIRS be pleased to state:

(a) whether the Government propose to give representation to Non-Resident Indians (NRIs) in various decision making forums including Parliament of India;

(b) if so, the details thereof;

(c) the specific steps taken/proposed to be taken to formulate a definite policy on the overseas Indians contribution to the country`s development; and

(d) the steps taken to establish a reasearch centre for systematic and detailed study on the People of India Origin (PIO)?

Answer

MINISTER OF HOME AFFAIRS

(SHRI L.K. ADVANI)

(a)to(d): A statement is annexed.

STATEMENT IN REPLY TO PARTS (a) TO (d) OF LOK SABHA STARRED QUESTION NO. 610 FOR ANSWER ON 09.05.2000

(a) No, Sir.

(b) Does not arise.

(c) The important measures taken from time to time, under the NRI Investment Policy, to promote the overseas Indians` contribution to the country`s development include:-

I. Director investment avenues

(i) 100% investment under automatic route, subject to negative list, housing and real estate development sector in specified activities, air taxi operations/domestic air transport operations, sick industries, hospitals, shipping. Etc.

(ii) 51% investment in non-Annexure-III manufacturing industries, other than the listed companies as against the earlier 40% scheme.

(iii) Subscription to new issues of equity shares, convertible debentures conforming to SEBI norms, upto an aggregate limit of 24% of the public issue.

(iv) Upto 40% investment in the Banking sector.

(v) Investment in Public Sector Undertakings Bonds on repatriation basis, and in Domestic Mutual Funds floated by public and private sector entities either on repatriation or non-repatriation basis.

II. Portfolio Investments

Permission to invest in shares and debentures through Stock Exchanges, subject to 5% individual ceiling and 10% aggregate ceiling in the issued and paid capital of the company. This can be raised to 24% if approved by General Body resolution of the company.

III. Bank Deposits Schemes

Facilities such as Non-Resident (External) Rupee Account, Foreign currency (Non-Resident) Accounts (Banks) - FCNR (B) Accounts Non-Resident (Ordinary) Rupee - NRO Account, Non-Resident (Non-Repatriable) - NRNR Rupee Deposit Scheme, Non-Reside (Special) Rupee - NRSR Account, etc are available to NRIs.

IV. Improvements in Procedures

Procedures have been simplified to attract NRIs in different sectors e.g., FIPB approval time limited to 30 days, two stage RB approval mechanism for allotment in primary issues substituted by general permission etc.

(d) There is no such proposal before the Government.